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**From:** Scott Waldman and David Giambusso - POLITICO New York  
**Sent:** Tue 8/11/2015 2:00:33 PM  
**Subject:** POLITICO New York Energy: Energy battles in the pipeline, Renewable wood

*By David Giambusso and Scott Waldman*

*Good morning! Only POLITICO New York Pro subscribers receive this email at 5:30 a.m. each weekday. If you'd like to receive it at that time, along with a customized real-time news feed of New York energy policy news throughout the day, please contact us at [lenglander@politico.com](mailto:lenglander@politico.com) and we'll set you up for trial access. We'll send the same newsletter to non-Pro subscribers at 10 a.m. Thank you for reading.*

### **PIPELINE DELAYS SIGNAL FUTURE ENERGY BATTLES—POLITICO New York's**

**Scott Waldman:** The state's delay in granting one of the final approvals for the Constitution Pipeline is a symbolic convergence of New York's energy future, where environmentally-sensitive policies and practical reality collide. The Constitution Pipeline will stretch from Pennsylvania through the Southern Tier and into Schoharie County where it can connect to a network of other pipelines. It will add more capacity as New York and New England increasingly turn to natural gas for power. Even though Gov. Andrew Cuomo banned fracking, converting some of his harshest critics into his advocates overnight, he has actively worked to make the state more reliant on natural gas, including his personal intervention in converting a Buffalo-area coal-burning power plant to gas. What's more, gas burns cleaner than coal and the state's working plan to shut down Indian Point nuclear facility is largely centered on bringing more power sources fired by natural gas into the region. <http://politi.co/1L2NRUO>

### **STATE INCREASES WOOD HEATING INCENTIVES—POLITICO New York's Scott**

**Waldman:** In response to falling oil prices, state officials are increasing the financial incentive for consumers and businesses to invest in wood-pellet and other high-efficiency heating systems. Under the Renewable Heat program, consumers receive money to replace oil heating systems or older, inefficient wood-heating systems. The program is designed to reduce air pollution and boosts demand for the state's timber industry products, particularly in economically struggling areas of the Adirondacks. Wood pellets generally produce less emissions than traditional oil heating systems. <http://politi.co/1PhjNDi>

### **AROUND N.Y.**

--**New York officials** claim they'll meet tough new federal energy standards year early. <http://lohud.us/1gXijmF>

--**An interview with state Energy Czar Richard Kauffman** on how California and other states can learn from Reforming Energy Vision. <http://bit.ly/1gudS1M>

--**Actor Mark Ruffalo** is increasing his pitch for 100 percent renewable energy. <http://bit.ly/1N56neu>

--**City and State** looks at the propane gel fracking proposal. <http://bit.ly/1Ekmm9>

--**Ulster County** installed nine electric-car charging stations. <http://bit.ly/1J6A4Mo>

--**Charter Communications** is out to prove that it's not the new Comcast. <http://bit.ly/1f4o3cc>

--**SolarCity** will sell its Buffalo-produced solar panels in Vermont. <http://bit.ly/1PhiRyZ>

**GOOD TUESDAY MORNING:** Let's dispense with the pleasantries. There's a lot to discuss and little time. Please let us know if you have stories, ideas, complaints or even if you're just lonely. We're always here at [dgiambusso@politico.com](mailto:dgiambusso@politico.com) and [swaldman@politico.com](mailto:swaldman@politico.com). And if you like this letter, please tell a friend and/or loved one.

**CALIFORNIA UTILITY REGULATORS FACE MORE CHARGES—The Los Angeles Times' Ivan Penn:** "California's scandal-ridden utilities commission was slammed with fresh criticism after a state judge accused Southern California Edison of wrongful dealings with regulators that put customers on the hook for \$3.3 billion. Consumer advocates called for reforms of the California Public Utilities Commission to prevent the kind of secret meetings discussed in the Wednesday ruling by Administrative Law Judge Melanie Darling. Among the undisclosed dealings was a dinner at a swanky hotel in Warsaw, where Edison executives and the commission's president at the time sketched out how to divide the substantial expenses from the shutdown of the San Onofre nuclear power plant." <http://lat.ms/1IAAdW9M>

**WIND RISES UNDER CLEAN POWER PLAN—The Washington Post's Chris Mooney:** "The Obama administration's Clean Power Plan, released last week, requires the country to use a lot more renewable energy by the year 2030 — and a lot less coal. And right on time, two new reports published Monday by the Department of Energy find that one key renewable sector — wind — is booming, a development that can only help matters when it comes to reducing carbon emissions. The reports being released — including the 2014 Wind Technologies Market Report, published by Lawrence Berkeley National Laboratory — suggest that wind is being installed at a rapid rate, that its costs are plummeting, that its technologies are advancing, and that it is creating a growing number of jobs to boot." <http://wapo.st/1JSDstc>

**IKEA GOES L.E.D.—The New York Times' Diane Cardwell:** "For years, lighting companies have been predicting a time when LED bulbs will become the standard, replacing not only traditional incandescent lights, but halogen and compact fluorescents as well. That time has come for one global retailer, Ikea. Beginning Sept. 1, the company said Monday, it will sell only LED bulbs, part of its overall sustainability efforts. The company had planned a major investment in compact fluorescent lights, but it redirected it to LEDs." <http://nyti.ms/1J0CeeL>

**POO POWER:** The Associated Press reports that a new type of tractor engine being prototyped in Italy will use methane, i.e. gas generated from animal poop, as its primary source of fuel. This is a story about fueling farm equipment with the feces of livestock yet the A.P. manages to get through the first three graphs without direct reference to animal excrement, which we find a little precious. The central point though is that harnessing animal waste to fuel farm equipment would be a big deal for global emissions reduction.

“Methane would be 30 percent cheaper than diesel. And for farms that produce their own bio-methane, the costs of fuel would drop to nothing. Bio-methane is a type of gas that is produced by the processing of organic waste — something farms have a lot of.” <http://wapo.st/1J0Dm20>

**SPEAKING OF B.S.—POLITICO’s Darren Goode:** “John Kasich’s climate change stumble over the weekend illustrates the difficulty some Republicans will face in outlining a nuanced position on the issue on the presidential campaign trail. The Ohio governor’s reference to climate change as ‘some theory that’s not proven’ played into Democrats’ efforts to frame the entire Republican Party as hostile to science and out-of-step with young, independent voters who are likely to decide the election next year. Kasich’s campaign quickly downplayed the remarks and reiterated his past view that humans are responsible for climate change, but the remark highlighted the balancing act for candidates struggling to gain traction with a GOP base that largely dismisses the problem.” <http://politico.pro/1J0Ejar>

**TEXAS RIDES OUT PEAK GRID USE—EnergyWire’s Edward Klump:** “After a deluge of rain and milder weather earlier in the year, triple-digit temperatures have descended with a vengeance on Texas and fueled record electricity demand. The Electric Reliability Council of Texas (ERCOT), the state’s main grid operator, reported a peak of more than 68,400 megawatts during the 4 to 5 p.m. hour (local time) last Wednesday, topping a record from 2011. Then it surpassed that level twice Thursday, including with a new high of 68,912 MW from 4 to 5 p.m. Peak demand figures, which are preliminary and can sometimes include exports, remained high Friday and are expected to be strong again today. Yet, other than a call for conservation in late July, ERCOT generally hasn’t had to ask residential consumers for much help to meet demand on recent hot days. Texas just doesn’t seem overly worried about power supplies at the moment.” <http://bit.ly/1KdSfKK>

**IS COLLEGE DIVESTMENT WORTH IT? A New York Times debate:** “This summer, Georgetown joined Stanford in its promise to stop investing in coal companies, under pressure from student groups seeking widespread college divestment from the fossil fuel industry. But many, including environmentalists, have called these efforts useless, as divestment hardly seems to make a financial dent in the industry and it does not directly address the capping of greenhouse gas emissions. Is divestment a useful strategy for mitigating climate change, or is it effective in other ways?” <http://nyti.ms/1Tk1X3d>

**RENEWABLES BUSY YEAR—Mother Jones’ Julian Spector:** “Renewable energy has had a busy year. California and New York have adopted ambitious plans calling for 50 percent renewable energy by 2030. A group of Stanford and Berkeley scientists has put forth an even bolder vision—encouraging all 50 states to run on wind, water, and solar by 2050, without any nuclear energy or biofuels in the picture. New York City Mayor Bill de Blasio has announced his intention to go fully renewable with the city government’s power, too. A world without any fossil fuel energy would be a much cleaner place for both people and the environment. Right now renewable energy accounts for just 13 percent of all US electricity. A significant increase in that share would lead to a major reduction in air pollution and its attendant diseases, not to mention the costs of climate change-induced flooding or wildfires. The lives, time, and property saved could be put to work tackling other social problems.” <http://bit.ly/1Ir2Nvd>

**WAVE POWER INCREASING—EcoWatch’s Alex Kirby:** “A British company has announced plans for an array of unique marine turbines that can operate in shallower and slower-moving water than current designs. Kepler Energy, whose technology is being developed by Oxford University’s department of engineering science, says the turbines will in time produce electricity more cheaply than off-shore wind farms. It hopes to install its new design in what is called a tidal energy fence, one kilometre long, in the Bristol Channel—an estuary dividing South Wales from the west of England—at a cost of £143m (US\$222m). The fence is a string of linked turbines, each of which will start generating electricity as it is completed, until the whole array is producing power. The fence’s total output is 30 megawatts (MW) and 1MW can supply around 1,000 homes in the UK.” <http://bit.ly/1MgQIbm>

**E.P.A.’S FOULED RIVER—The New York Times:** “The Animas River is the cultural soul of [Durango,] Colorado, a sort of moving Main Street that hosts multiple floating parades a year and is typically bustling with rafters and kayakers. Schoolchildren study the river. Sweethearts marry on its banks. Its former name, given by Spaniards, is el Río de las Ánimas, the River of Souls. But since Wednesday, the Animas has been grievously polluted with toxic water spilled from one of the many abandoned mines that pockmark the region — a spill for which the Environmental Protection Agency has claimed responsibility, saying it accidentally breached a store of chemical-laced water. On Sunday, anger over the spill boiled over after the agency announced that the amount of toxic water released was three times what was previously stated — more than three million gallons rather than one million — and that officials were still unsure if there was a health threat to humans or animals.” <http://nyti.ms/1J0G4o2>

**5 MILLION ALASKAN ACRES BURNED:** The Washington Post’s Chris Mooney reports, “according to the latest report Monday from the Alaska Interagency Coordination Center, Alaska fires have now consumed 5,081,585.8 acres in 2015. That’s about five-sixths of the total acreage consumed by wildfires anywhere in America this year — currently, 6,224,545 acres. It’s also enough to put the 2015 Alaska wildfire season ahead of what was previously the second-place year — 1957, with 5,049,661 acres burned, according to the Alaska Division of Forestry.” <http://wapo.st/1J0FarJ>

**POPE CALLS FOR ENVIRONMENT DAY:** The Associated Press reports, “Pope Francis has taken a cue from Orthodox Christians and designated Sept. 1 as a day for Catholics to pray for the care of the environment.” <http://nyti.ms/1J0FMh7>

**THE UNIVERSE IS DYING:** We probably should have led with this item since it makes the others seem somehow less pertinent. It appears scientists have uncovered fresh evidence that the light of distant stars is less bright than it was two billion years ago, ergo the universe is slowly dying around us. This might be the day to order those dumplings you’ve been eyeing for lunch. <http://lat.ms/1UzT47W>

## **FUTURES:**

**--Oil picks up** on news of an emergency OPEC meeting and signs that U.S. production may taper off, The Wall Street Journal reports.

“Light, sweet crude for September delivery climbed \$1.09, or 2.5%, to settle at \$44.96 a barrel on the New York Mercantile Exchange. Brent crude, the global benchmark, advanced \$1.80, or 3.7%, to \$50.41 a barrel on ICE Futures Europe.” <http://on.wsj.com/1UzTjjC>

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